

State of North Carolina Office of the Governor

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Gov. Easley's Statement Regarding RJR's Tobacco Purchase Intentions

"With the December purchase of stabilization tobacco in the 2004 contracts, RJR's inventory is more than their volume needs. My discussions with Reynolds reveal that they want to take whatever action they can afford to keep growers secure until the Reynolds and Brown and Williamson merger is complete. At that time, they will know what the new Reynolds American Inc. 'volume needs' will be. Reynolds and I have had several conversations and we will continue to discuss and pursue options to protect our growers and their company during this period of transition and uncertainty."

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